

# Special Accounts Senior Management Committee (SASMC) Meeting Notes and Action Items

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*Meeting Date/Time: January 29, 2014, 2pm – 4pm*

*Meeting Location: William Jefferson Clinton North, Room 5530*

## Attendees in Person

Jim Woolford, OSWER/ OSRTI/Director  
Tracey Stewart, OSWER/OSRTI  
Rafael DeLeon, OECA/OSRE/Acting Director  
Monica Gardner, OECA/OSRE/Acting Deputy Director  
Karin Leff, OECA/OSRE  
Patricia Mott, OECA/OSRE  
Gary Worthman, OECA/OSRE  
Manuel Ronquillo, OECA/OSRE  
Jeanne Conklin, OCFO/OFM/Deputy Director  
Meshell Jones Peeler, OCFO/OFM/Program Costing Staff  
Sherri Anthony, OCFO/OFM  
Nikki Wood, OCFO/OFM  
Alan Eng, OCFO/OFM  
Carol Terris, OCFO/OB/ Acting Director  
Tim Fontaine, OCFO/OB/Acting Deputy Director  
Laura Ripley, OCFO/OB  
Meredith Sebring, OSWER/OPM  
Rishi Das, Booz Allen Hamilton (Contractor Support)

## Attendees via phone

Greg Luebbering, OCFO/OFS/CFC/Acting Director  
Randy Sargent, OCFO/OFS/CFC  
Melanie Hoff, OSWER/OSRTI  
Hollis Luzecky, OECA/OSRE  
Melanie Hoff, OSWER/OSRTI/TIFSD  
Donald Pace, Region 2/Lead Region Management  
Pam Phillips, Region 6/Lead Region Superfund  
Ben Banipal, Region 6  
Lisa Price, Region 6  
Doretha Christian, Region 6  
Anthony Smaldon, Booz Allen Hamilton (Contractor Support)  
Jessica Kwan, Booz Allen Hamilton (Contractor Support)

## Introduction

The Special Accounts Senior Management Committee (SASMC) meeting began with the in-person attendees introducing themselves and Jim Woolford welcoming representatives on the phone. Since Carol Terris had to leave early for a previous commitment, the agenda topics were reorganized. The reorganized agenda would start with a discussion on the 2013 Contract Laboratory Program (CLP)/Environmental Services Assistance Team (ESAT) Pilot and 2014 Proposal, followed by Accessing Indirect Costs in Special Accounts, and finally wrapping up with a discussion on managing Special Account Information on the Internet.

## Highlights from the Past 6 Months

Beginning with Slide 3 of the presentation, highlights from the last 6 months were discussed.

- The Office of Superfund Remediation and Technology Innovation (OSRTI) and the Office of Site Remediation Enforcement (OSRE) conducted Fiscal Year (FY) 2014 special account work planning reviews from October 2013 – January 2014. Tracey Stewart explained that the reviews took longer than planned due to the government shutdown that occurred in October.
- The Superfund program's 1990s legacy system, the Comprehensive Environmental Response, Compensation and Liability Information System (CERCLIS), has been replaced with the Superfund Enterprise Management System (SEMS) and Primavera project management tool. Trainings across Headquarters (HQ) and the regions are being conducted.
- In September, OSRTI issued on behalf of the SASMC fact sheets on using special accounts for payroll and managing deposits into special accounts.
- Also in September, a memo rescinding notification requirements where agreements are silent on special accounts was issued.
- Additionally, a list of Frequently Asked Questions (FAQs) and fact sheet on special accounts were finalized and will be posted on the EPA internet site for public viewing.
- Although not on the presentation, Jim Woolford noted that a meeting for indirect costs was held a few weeks prior to the SASMC meeting, to be followed up in this meeting.

## 2013 CLP/ESAT Pilot and 2014 Proposal

Stewart introduced Slide 5 of the presentation, noting that in the last SASMC meeting a request was made for OSRTI to discuss the results of the 2013 CLP/ESAT pilot and provide a proposal based on the pilot to the SASMC. Stewart informed the group that OSRTI's Analytical Services Branch (ASB) provides analytical services through the CLP and ESAT. The goal for OSRTI in funding these programs is that the Superfund program can achieve a greater economy of scale instead of each region having their own contracts for each lab. She noted that it has been cost-effective for the program. However, the bulk funding model does not lend itself well for special account funds, where site-specific funding is required. For the last several years, OSRTI has been evaluating different processes to use special account funds for analysis conducted by CLP and ESAT.

Referring to Slide 6, Stewart discussed the various pilots that had been conducted prior to FY 2013. Initially, in FY 2010, OSRTI performed a reimbursement process with Region 1 to reimburse CLP expenditures at the document control number (DCN) invoice level. They soon realized that this reimbursement process would not be applicable on a broad scale to all regions and multiple sites. In 2011, OSRTI tested a buy-in process where regions could commit special account funds for sites for anticipated analysis that would be sent through the CLP. Although this was successful at first, over time OSRTI found that participation by regions decreased. In 2013, regions requested if a new process could be developed. OSRTI created a new pilot that reimbursed site-specific expenditures for the CLP and ESAT programs focusing only on the prior budget FY of appropriated funds, and instead of reimbursing at the DCN invoice level, an SV document was used as it required far less accounting information to execute the reimbursement. The pilot appeared to work much better than previous efforts.

Based on the results of the pilot, OSRTI developed a process for FY 2014 and beyond. OSRTI will request Cincinnati to run a report off the general ledger in the 2<sup>nd</sup> quarter of the fiscal year with certain budget criteria to identify sites where lab analysis was conducted through CLP or ESAT using appropriated funds from the prior budget fiscal year. With this data, Stewart would then develop SV documents for regions to review, update, and approve, which CFC would then enter into Compass. The result of this process would make appropriated funds available for OSRTI to use.

Exemption 5 - Deliberative Process



### Exemption 5 - Deliberative Process

Stewart noted that in the future, OSRTI would like to complete the CLP/ESAT reimbursement process by the end of the 2<sup>nd</sup> quarter for expenditures in the prior fiscal year, since 3<sup>rd</sup> and 4<sup>th</sup> quarters tend to be a busier time.

### Exemption 5 - Deliberative Process

One attendee inquired whether reimbursements would be allocated across all types of sites and if so, what impact that may have on the annual allocation rates. The group agreed that this would require more dialogue and analysis. Melanie Hoff reminded the group that this process was strictly for site-specific expenditures under laboratory support contracts, not any other costs or support contracts. The group agreed that OSRTI would discuss annual allocation concerns with OFM, and if those concerns are addressed OSRTI can proceed with the process.

Pam Phillips expressed appreciation on behalf of Region 6 for HQs' efforts to use special account funds for CLP/ESAT costs. Stewart thanked Region 1 for their flexibility and contribution as the first testers for all of the pilots.

### Accessing Indirect Costs in Special Accounts

Carol Terris began by mentioning that this topic is still being analyzed and continues to evolve with each discussion. Terris mentioned that the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) model settlement language treats direct and indirect costs as a subset of past, future, and interim costs.

### Exemption 5 - Deliberative Process

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Woolford noted that a meeting took place recently with the Superfund regional Division Directors where this topic was also briefly discussed.

### Exemption 5 - Deliberative Process

Rafael DeLeon asked for more clarification on how Superfund is handled differently from other indirects in the Agency. Jeanne Conklin mentioned that new accounting standards came out several years ago requiring full cost accounting for interagency agreements (IAs), which required the Agency to bill for direct and indirect costs associated with IAs.

## Exemption 5 - Deliberative Process

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

The SASMC will meet again in 3-4 months to continue discussions.

## Managing Special Account Information on the Internet

The final agenda item of managing special account information on the internet came about as a result of an inquiry posed at the end of FY 2013 on whether special account information on the internet should be managed under the One EPA web management structure. Currently, the special accounts internet pages are maintained by OSRE. Stewart explained that the One EPA web effort is meant to consolidate and streamline the Agency's web pages so that there aren't multiple pages that display the same or similar information, regardless of program area. This would simplify webpage navigation and lower costs to maintain multiple web pages displaying similar content across the Agency. Under the One EPA web structure, the special accounts information would be established as a resource directory, with the information stored on the Agency's web content management system. Exemption 5 - Deliberative Process



The proposal for the SASMC to consider was to move the special account web content to the One EPA web structure, since eventually it would need to be done anyway. Exemption 5 - Deliberative Process

In addition, the special accounts web page would most likely need to be moved from the Enforcement web pages to the Superfund web pages.

## Exemption 5 - Deliberative Process

### Upcoming Issues and Topics

Stewart discussed the transition to SEMS in FY 2014, noting that the FY 2014 mid-year review would be more focused on use of the special account screens in SEMS and development of reports than the traditional update required, to ensure all parts are working for special account reporting in October. Woolford noted that OSRTI is currently training regional staff on the new system.

Stewart discussed that the FY 2014 Omnibus appropriation bill had a reporting requirement for EPA to report on the legal and practical implications of re-prioritizing special account funds for short and long term uses, as well as alternative uses of the funds. It is the same reporting requirement language from last year that was never sent, so a draft of the report has been written. Once OSRTI updates the report with FY 2013 data, it will be sent to SASMC staff for final review before moving it forward.

## Exemption 5 - Deliberative Process

## Exemption 5 - Attorney-Client Privilege

### Action Items

Item	Lead	Due Date
Schedule meeting/call with SASMC members on indirects	OCFO	May 2014
Touch base with OFM to further discuss annual allocation impacts from the CLP/ESAT proposal	Tracey Stewart	Completed 2/5/14
Check on regional representation requirements for One EPA web editorial boards	Tracey Stewart	No due date assigned
Send a request to staff for participation Exemption 5 - Deliberative Process for the special account web page	Tracey Stewart	No due date assigned